



TCB Digest for Executives

December 6th, 2023

Welcome to the 13th edition of The Climate Board's Digest for Executives - a summary of key climate-related events, publications, and insights for cross-functional corporate leaders.

COP28 is underway through Dec. 12 in Dubai, and not without controversy as the Persian Gulf's oil-rich economies publicly dissent from other participants in the United Nations' signature climate conference. Only a week before participants gathered, COP28 president Sultan al-Jaber, who heads the Abu Dhabi National Oil Company, told a panel that phasing out fossil fuels wouldn't help the world meet climate goals. Days later, Saudi Arabia's energy minister said his [country won't support a COP28 agreement to "phase down" fossil fuels](#).

President Biden also missed the event, [reportedly due](#) to the pressures of other global crises; Vice-President Kamala Harris and climate envoy John Kerry are representing the US in his stead. Kerry [indicated that Sultan al-Jaber's remarks would require clarification](#): "the bottom line is this COP needs to be committed to phasing out all unabated fossil fuel," he said. Al-Jaber subsequently said his remarks had been misrepresented.

As of the time of writing, [Reuters](#) and the [BBC](#) are reporting that a fossil-fuel phase-out promise was still on the table for COP28's final agreement.

COP28 Updates

- [UAE Planned to Use COP28 to Make Oil Deals](#) (BBC and Centre for Climate Reporting, November 27) - A few days before the start of the conference, documents were leaked that appeared to show Sultan al-Jaber planned to discuss fossil-fuel deals with countries including China, Brazil, Germany, and Egypt. Al-Jaber, who [denied the report](#), was in the press again a few days later. It was revealed that he told a Nov. 21 online event that there was "no science" indicating that a phase-out of fossil fuels would restrict global warming to 1.5 degrees Celsius - a statement at odds with the international consensus underlying the Paris Agreement. (The Guardian report containing a video recording of this event [can be found here](#).)
- [COP28 Talks Open in Dubai with Breakthrough Deal on Loss and Damage Fund](#) (United Nations, November 30) - On the first day of the conference, delegates agreed on the operationalization of the Loss and Damage Fund, which will compensate developing nations feeling the worst impacts of climate change. Despite pushback from developing countries, the [fund will be housed at the World Bank](#). Some countries have already pledged contributions to the fund; the UAE pledged \$100 million.

- [At COP28, Countries Launch Declaration to Triple Nuclear Energy Capacity by 2050, Recognizing the Key Role of Nuclear Energy in Reaching Net Zero](#) (Department of Energy, December 1) - Over 20 countries, including the U.S., Canada, France, Japan, the UAE and the U.K., launched a commitment to triple nuclear energy capacity by 2050. The declaration said nuclear energy is crucial to achieving net-zero emissions by 2050 and staying within a 1.5 degrees Celsius temperature increase. The pledge marks an endorsement of an energy source that [has long been controversial](#) among environmental activists.
- [Biden-Harris Administration Finalizes Standards to Slash Methane Pollution](#) (Environmental Protection Agency, December 2) - Announced at COP28, these new policies will require oil companies to monitor for leaks of methane from well sites, require reductions in emissions from pumps and other high-emitting equipment, and establishes a Super Emitter Program that will use third-party remote sensing to detect large methane releases, among other requirements. The EPA claims that these standards will prevent 1.5 billion metric tons of greenhouse gas emissions.

More COP28 articles

- The Guardian, November 29 - [Plans to Present Meat as 'Sustainable Nutrition' at COP28 Revealed](#)
- Politico, November 30 - [The Oil Baron Running the Climate Talks - and the US Envoy Who's Had His Back](#)
- Nikkei / Bloomberg, Dec. 2 - [Japan refrains from joining a US-France led coalition to ban coal amid energy security concerns](#)
- Politico, December 3 - [Open Secret at Climate Talks: The Top Temperature Goal is Mostly Gone](#)
- National Public Radio, December 3 - [Health is on the Agenda at UN Climate Negotiations. Here's Why That's a Big Deal.](#)
- The Hill, December 4 - [Hillary Clinton Calls Out Some Delegations at COP28 for Not Having Enough Women](#)

Corporate & Disclosure Updates

- [Virgin Atlantic Makes Maiden Transatlantic Flight Using 100% Green Fuel](#) (ABCNews, November 28) - The pure sustainable aviation fuel (SAF) on this flight from London to New York was a blend of processed cooking oil, waste animal fat, and synthetic kerosene from waste corn. SAF had already been used to power jet engines, which emitted about 2% of the world's energy-related carbon dioxide emissions in 2022, but this was the first time it wasn't mixed with regular fuel. SAF reportedly [produces up to 80% fewer warming emissions than conventional jet fuel.](#)

Climate Updates

- [Panama Canal Jam Sends Ships Sailing Continents Out of the Way](#) (Bloomberg, December 4) - With the ongoing [drought in Panama](#), ships must either wait in line for long periods of time, pay exorbitant sums to bid on a cancelled reservation, or sail alternate routes around Africa or through the Suez Canal - adding at least 10 days to an already long trip. Consumers may start to feel the effects of these issues, as some

shipping companies are already implementing Panama-related surcharges to their customers.

- [Panama Canal Restrictions Spillover Effect to Hit LNG Trade](#) (Oilprice.com, Nov. 30) - This article notes that the restrictions might create a shortage of ships to take LNG from US Atlantic and Gulf coast ports to Asia; some cargoes are being sent to Europe instead, despite the continent's lower prices for LNG.

Publications

- [Companies Are Dropping Carbon Offsets, But Still Buying the Worst Ones](#) (Bloomberg, November 27) - As the voluntary carbon market (VCM) - once primed for exponential growth - comes under increased scrutiny, purchases of carbon offsets fell for the first time in at least a decade, with demand dropping 17% from 2021 to 2022. Even with this decrease, the purchase of controversial offsets from wind, hydrogen, and solar projects increased 38% in the same time frame. Bloomberg notes that these renewable energies are already the cheapest, thus funding these offsets will not decrease emissions, reflecting the fundamental issue of the VCM - that the bulk of available offsets do not remove carbon dioxide from the atmosphere, undermining the core of offsetting (to remove one molecule for every one you release). Analysts have wildly different projections for the size of the VCM in 2030, and discussions at COP28 may significantly impact the future of the market.
- [Food, Water, and Climate Change: Solutions for Tracking this Critical Nexus](#) (Citi Global Perspectives and Solutions, November 29) - In this report, CitiGPS analyzed water stress levels in the five regions that produce 72% of the world's staple crops (rice, wheat, corn, and soybeans - which account for about two-thirds of the world's calories), and found that a business-as-usual scenario would lead to extremely high risk of water stress by 2050. The report also found that any reduction in crop yields in any of the regions (India, China, the U.S. the E.U., and Brazil) would have a significant impact on global food security, the global economy, and thus the global political climate. Some solutions offered by CitiGPS include harvesting rainwater, improving irrigation techniques, and desalination.

More Must-Reads

- New York Times, November 18 - [Opinion: I'm a Climate Scientist. I'm Not Screaming Into the Void Anymore.](#)
- Forbes, November 27 - [Climate Disclosure Regulation Will Usher in a New Era of ESG Investment \(Tenzin Seldon, Pulse Fund\)](#)
- New York Times, November 28 - [They Fled Climate Chaos. Asylum Law Made Decades Ago Might Not Help](#)
- MIT Technology Review - [The University of California Has All but Dropped Carbon Offsets - And Thinks You Should, Too](#)

**Thank you,
The TCB Team**



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